



# ***NEWS RELEASE***

## **PRESS OFFICE**

**Release Date:** May 31, 2002

**Contact:** Carol Chastang (202) 205-6987

**Release Number:** 02-29

**Internet Address:** [www.sba.gov/news/indexheadline.html](http://www.sba.gov/news/indexheadline.html)

## ***BUSINESS OWNERS, HOMEOWNERS URGED TO PREPARE FOR HEAVY WEATHER AS HURRICANE SEASON NEARS***

**WASHINGTON** – With the opening of the 2002 Atlantic and Central Pacific hurricane season only days away, the U.S. Small Business Administration is urging homeowners and business owners to plan and prepare for the worst case scenario by taking steps in advance to minimize the damage caused by these destructive storms.

The hurricane season officially runs from June 1 through November 30.

A community's long-term survival can depend on the ability of businesses and homeowners to minimize the risks—wind damage and flooding—that accompany hurricanes.

“Taking these steps before a hurricane strikes will help people respond quicker to the disaster, and recover sooner,” said SBA Administrator Hector V. Barreto.

Here are some hurricane preparedness tips that can be utilized by homeowners and businesses to minimize physical damages and economic losses:

- **Have a disaster plan in place.** Find escape routes from the home or business and establish places to meet. Have on hand emergency phone numbers; business owners should designate a contact person who will communicate with other employees, customers, and suppliers. Families should ask an out-of-state relative or friend to serve as the “family contact.”
- **Windows.** Install storm shutters over all exposed windows and other glass surfaces in the home or business. Plywood shutters—1/2-inch marine plywood is best—can also offer protection from flying debris.
- **Insurance.** According to the National Flood Insurance Program, only 25 to 50 percent of U.S. homeowners in flood-prone areas have flood insurance. Flood damage is not usually covered by homeowners insurance. Business owners and individuals should review their insurance policies before the storm hits. Business interruption insurance—which replaces income lost during downtime caused by a covered peril—should be considered.

02-29 / Page Two

- **Disaster survival kit.** It should include a flashlight and extra batteries, portable, battery-operated radio and extra batteries, a first aid kit, non-perishable packaged and canned food, water (enough to last a week), manual can opener, sturdy shoes, a basic tool kit, waterproof plastic bags, and cash.
- **Important business records** should be stored at an off-site location at least 50 miles away. Computer data should be backed up, saved on diskettes and stored offsite.

The SBA provided more than 18,000 low-interest loans worth more than \$771 million in the aftermath of Hurricane Floyd in 1999. The loans went to homeowners, renters and business owners in 10 states, with most of the destruction caused by inland flooding that followed the storm.

The SBA makes low-interest disaster recovery loans to homeowners, renters and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair or replace damaged real estate. Individuals may borrow up to \$40,000 to cover losses to personal property.

Non-farm businesses and non-profit organizations of any size may apply for up to \$1.5 million to repair or replace business assets. Small businesses that suffered economic losses may apply for a working capital loan of up to \$1.5 million, even if the property was not physically damaged.

During fiscal year 2001, the SBA made over \$1 billion in disaster loans to more than 48,000 homeowners, renters and businesses of all sizes.

To find out more about the SBA's disaster assistance program and additional disaster preparedness tips, visit the Web site at [www.sba.gov/disaster](http://www.sba.gov/disaster).

---

*For more information about all of the SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA or TDD 704-344-6640, or visit the SBA's extensive Web site at <http://www.sba.gov>.*

*You can receive all of the SBA's News Releases via email. To subscribe, visit <http://web.sba.gov/list> and select "Press Office."*

###